



QUARTERLY STATEMENT

AS OF MARCH 31, 2014
OF THE CONDITION AND AFFAIRS OF THE

FREEDOM LIFE INSURANCE COMPANY OF AMERICA

NAIC Group Code	0839	0839	NAIC Company Code	62324	Employer's ID Number	61-1096685
	(Current Period)	(Prior Period)				
Organized under the Laws of	Texas		State of Domicile or Port of Entry	Texas		
Country of Domicile	United States					
Incorporated/Organized	03/28/1956		Commenced Business	06/01/1956		
Statutory Home Office	Burnett Plaza, 801 Cherry St., Unit 33		Fort Worth, TX, US 76102-6888			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	Burnett Plaza, 801 Cherry St., Unit 33		Fort Worth, TX, US 76102-6888		817-878-3300	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	Burnett Plaza, 801 Cherry St., Unit 33		Fort Worth, TX, US 76102-6888			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	Burnett Plaza, 801 Cherry St., Unit 33		Fort Worth, TX, US 76102-6888		817-878-3300	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.freedomlife.net					
Statutory Statement Contact	Billy Jacobs		817-878-3628			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	jacobsb@ushealthgroup.com		817-878-3880			
	(E-Mail Address)		(Fax Number)			

OFFICERS

Name	Title	Name	Title
Benjamin Maurice Cutler	President	Patrick Henry O'Neill	Secretary
Cynthia Belz Koenig	Treasurer		

OTHER OFFICERS

Konrad Henry Kober	Executive Vice President	Billy Lee Jacobs	Vice President
James Richard White Jr.	Vice President	Ranita Ann Grauwiler	Vice President
Troy Alan McQuagge	Executive Vice President	Phillip Jerome Myhra	Senior Vice President

DIRECTORS OR TRUSTEES

Patrick Henry O'Neill	Konrad Henry Kober	Billy Lee Jacobs	Cynthia Belz Koenig
Ricky Alton Watson	Benjamin Maurice Cutler		

State ofTexas.....
County ofTarrant.....

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Benjamin Maurice Cutler President	Patrick Henry O'Neill Secretary	Cynthia Belz Koenig Treasurer
Subscribed and sworn to before me this _____ day of _____, _____		a. Is this an original filing? Yes [X] No []
		b. If no, 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	16,947,816		16,947,816	17,196,057
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	15,199,349		15,199,349	14,307,909
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$3,131,646), cash equivalents (\$0) and short-term investments (\$6,210,878)	9,342,524		9,342,524	15,957,880
6. Contract loans (including \$premium notes)			0	0
7. Derivatives			0	0
8. Other invested assets	0		0	0
9. Receivables for securities	0		0	0
10. Securities lending reinvested collateral assets.....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	41,489,689	0	41,489,689	47,461,846
13. Title plants less \$charged off (for Title insurers only)			0	0
14. Investment income due and accrued	309,968		309,968	768,995
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,317,049		2,317,049	2,955,361
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums).....			0	0
15.3 Accrued retrospective premiums			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	264,661	0	264,661	208,718
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts	822,064		822,064	567,874
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	0		0	0
18.2 Net deferred tax asset.....	9,076,576	6,155,347	2,921,229	2,699,087
19. Guaranty funds receivable or on deposit	1,115,855		1,115,855	1,216,530
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$)			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	413,140		413,140	78,467
24. Health care (\$241,526) and other amounts receivable.....	241,526		241,526	239,079
25. Aggregate write-ins for other than invested assets	321,678	321,678	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	56,372,206	6,477,025	49,895,181	56,195,957
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	56,372,206	6,477,025	49,895,181	56,195,957
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Prepaid Expenses.....	321,678	321,678	0	0
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	321,678	321,678	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Aggregate reserve for life contracts \$1,613,142 less \$included in Line 6.3 (including \$ Modco Reserve)	1,613,142	1,513,462
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)	4,303,500	4,415,760
3. Liability for deposit-type contracts (including \$ Modco Reserve)		0
4. Contract claims:		
4.1 Life	804,000	633,000
4.2 Accident and health	14,390,812	12,964,191
5. Policyholders' dividends \$ and coupons \$ due and unpaid		0
6. Provision for policyholders' dividends and coupons payable in following calendar year—estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		0
6.2 Dividends not yet apportioned (including \$ Modco)		0
6.3 Coupons and similar benefits (including \$ Modco)		0
7. Amount provisionally held for deferred dividend policies not included in Line 6		0
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$52,046 accident and health premiums	56,805	60,802
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		0
9.2 Provision for experience rating refunds, including the liability of \$885,000 accident and health experience rating refunds of which \$885,000 is for medical loss ratio rebate per the Public Health Service Act	885,000	798,000
9.3 Other amounts payable on reinsurance, including \$ assumed and \$ ceded	0	0
9.4 Interest Maintenance Reserve	146,312	147,927
10. Commissions to agents due or accrued—life and annuity contracts \$ accident and health \$70,831 and deposit-type contract funds \$	70,831	72,196
11. Commissions and expense allowances payable on reinsurance assumed		0
12. General expenses due or accrued	691,572	1,245,413
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		0
14. Taxes, licenses and fees due or accrued, excluding federal income taxes	1,540,866	1,992,060
15.1 Current federal and foreign income taxes, including \$ on realized capital gains (losses)	0	0
15.2 Net deferred tax liability		0
16. Unearned investment income		0
17. Amounts withheld or retained by company as agent or trustee	108,681	129
18. Amounts held for agents' account, including \$4,865 agents' credit balances	4,865	4,852
19. Remittances and items not allocated	122,663	53,374
20. Net adjustment in assets and liabilities due to foreign exchange rates		0
21. Liability for benefits for employees and agents if not included above		0
22. Borrowed money \$ and interest thereon \$		0
23. Dividends to stockholders declared and unpaid	0	9,000,000
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve	109,423	104,578
24.02 Reinsurance in unauthorized and certified companies (\$) companies		0
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers		0
24.04 Payable to parent, subsidiaries and affiliates	499,665	427,217
24.05 Drafts outstanding		0
24.06 Liability for amounts held under uninsured plans		0
24.07 Funds held under coinsurance		0
24.08 Derivatives		0
24.09 Payable for securities	0	0
24.10 Payable for securities lending		0
24.11 Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	208,765	208,746
26. Total liabilities excluding Separate Accounts business (Lines 1 to 25)	25,556,902	33,641,707
27. From Separate Accounts statement		0
28. Total liabilities (Lines 26 and 27)	25,556,902	33,641,707
29. Common capital stock	1,761,816	1,761,816
30. Preferred capital stock		0
31. Aggregate write-ins for other than special surplus funds	0	0
32. Surplus notes		0
33. Gross paid in and contributed surplus	43,139,966	43,139,966
34. Aggregate write-ins for special surplus funds	2,488,582	2,884,151
35. Unassigned funds (surplus)	(23,052,085)	(25,231,683)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		0
36.2 shares preferred (value included in Line 30 \$)		0
37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (including \$ in Separate Accounts Statement)	22,576,463	20,792,434
38. Totals of Lines 29, 30 and 37	24,338,279	22,554,250
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	49,895,181	56,195,957
DETAILS OF WRITE-INS		
2501. Escheat, abandoned property	208,765	208,746
2502.	0	0
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	208,765	208,746
3101.		
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page	0	0
3199. Totals (Lines 3101 through 3103 plus 3198)(Line 31 above)	0	0
3401. Deferred commission and expense allowance on sale of business	2,488,582	2,884,151
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	2,488,582	2,884,151

SUMMARY OF OPERATIONS

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	To Date	Year to Date	December 31
1. Premiums and annuity considerations for life and accident and health contracts	25,950,878	21,588,407	98,112,106
2. Considerations for supplementary contracts with life contingencies		0	0
3. Net investment income	171,477	149,679	1,146,708
4. Amortization of Interest Maintenance Reserve (IMR)	2,243	5,167	20,378
5. Separate Accounts net gain from operations excluding unrealized gains or losses		0	0
6. Commissions and expense allowances on reinsurance ceded	3,748,851	2,676,391	11,711,268
7. Reserve adjustments on reinsurance ceded		0	0
8. Miscellaneous Income:			
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts		0	0
8.2 Charges and fees for deposit-type contracts		0	0
8.3 Aggregate write-ins for miscellaneous income	0	0	0
9. Totals (Lines 1 to 8.3)	29,873,449	24,419,644	110,990,460
10. Death benefits	455,892	292,339	999,799
11. Matured endowments (excluding guaranteed annual pure endowments)		0	0
12. Annuity benefits		0	0
13. Disability benefits and benefits under accident and health contracts	15,865,292	13,035,358	52,868,300
14. Coupons, guaranteed annual pure endowments and similar benefits		0	0
15. Surrender benefits and withdrawals for life contracts		0	0
16. Group conversions		0	0
17. Interest and adjustments on contract or deposit-type contract funds		0	0
18. Payments on supplementary contracts with life contingencies		0	0
19. Increase in aggregate reserves for life and accident and health contracts	(12,580)	227,836	1,241,987
20. Totals (Lines 10 to 19)	16,308,604	13,555,533	55,110,086
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)	5,638,728	4,510,771	19,818,270
22. Commissions and expense allowances on reinsurance assumed		0	0
23. General insurance expenses	5,766,577	5,035,763	20,288,331
24. Insurance taxes, licenses and fees, excluding federal income taxes	1,012,113	948,210	3,474,200
25. Increase in loading on deferred and uncollected premiums		0	0
26. Net transfers to or (from) Separate Accounts net of reinsurance		0	0
27. Aggregate write-ins for deductions	0	0	0
28. Totals (Lines 20 to 27)	28,726,022	24,050,277	98,690,887
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	1,147,427	369,367	12,299,573
30. Dividends to policyholders		0	0
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	1,147,427	369,367	12,299,573
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	0	0	0
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	1,147,427	369,367	12,299,573
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ (excluding taxes of \$ transferred to the IMR)	0	0	0
35. Net income (Line 33 plus Line 34)	1,147,427	369,367	12,299,573
CAPITAL AND SURPLUS ACCOUNT			
36. Capital and surplus, December 31, prior year	22,554,250	19,634,090	19,634,090
37. Net income (Line 35)	1,147,427	369,367	12,299,573
38. Change in net unrealized capital gains (losses) less capital gains tax of \$	891,440	524,609	894,262
39. Change in net unrealized foreign exchange capital gain (loss)		0	0
40. Change in net deferred income tax	0	0	(3,998,530)
41. Change in nonadmitted assets	145,576	7,835	4,322,398
42. Change in liability for reinsurance in unauthorized and certified companies		0	0
43. Change in reserve on account of change in valuation basis, (increase) or decrease		0	0
44. Change in asset valuation reserve	(4,845)	(2,483)	(35,879)
45. Change in treasury stock		0	0
46. Surplus (contributed to) withdrawn from Separate Accounts during period		0	0
47. Other changes in surplus in Separate Accounts Statement		0	0
48. Change in surplus notes		0	0
49. Cumulative effect of changes in accounting principles		0	0
50. Capital changes:			
50.1 Paid in		0	0
50.2 Transferred from surplus (Stock Dividend)		0	0
50.3 Transferred to surplus		0	0
51. Surplus adjustment:			
51.1 Paid in	0	0	0
51.2 Transferred to capital (Stock Dividend)		0	0
51.3 Transferred from capital		0	0
51.4 Change in surplus as a result of reinsurance		0	0
52. Dividends to stockholders	0	0	(9,000,000)
53. Aggregate write-ins for gains and losses in surplus	(395,569)	(446,956)	(1,561,664)
54. Net change in capital and surplus (Lines 37 through 53)	1,784,029	452,372	2,920,160
55. Capital and surplus as of statement date (Lines 36 + 54)	24,338,279	20,086,462	22,554,250
DETAILS OF WRITE-INS			
08.301.			
08.302.			
08.303.			
08.398. Summary of remaining write-ins for Line 8.3 from overflow page	0	0	0
08.399. Totals (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)	0	0	0
2701.	0	0	0
2702.			
2703.			
2798. Summary of remaining write-ins for Line 27 from overflow page	0	0	0
2799. Totals (Lines 2701 through 2703 plus 2798)(Line 27 above)	0	0	0
5301. Deferred commission and expense allowance on sale of business	(395,569)	(446,956)	(1,561,664)
5302.	0	0	0
5303.			
5398. Summary of remaining write-ins for Line 53 from overflow page	0	0	0
5399. Totals (Lines 5301 through 5303 plus 5398)(Line 53 above)	(395,569)	(446,956)	(1,561,664)

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance.....	26,672,193	22,567,384	96,529,495
2. Net investment income.....	673,000	121,479	738,388
3. Miscellaneous income.....	3,112,024	1,563,236	10,018,524
4. Total (Lines 1 to 3).....	30,457,217	24,252,099	107,286,407
5. Benefit and loss related payments.....	14,779,504	11,744,895	49,725,389
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	13,323,169	10,984,312	43,040,404
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	0	0	0
10. Total (Lines 5 through 9).....	28,102,673	22,729,207	92,765,793
11. Net cash from operations (Line 4 minus Line 10).....	2,354,544	1,522,892	14,520,614
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	206,399	1,142,235	2,786,899
12.2 Stocks.....	0	0	0
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	0	1,727	1,727
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	206,399	1,143,962	2,788,626
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	0	2,662,779	6,821,161
13.2 Stocks.....	0	0	0
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	2,662,779	6,821,161
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	206,399	(1,518,817)	(4,032,535)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	9,000,000	2,000,000	2,000,000
16.6 Other cash provided (applied).....	(176,300)	(176,179)	(90,552)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(9,176,300)	(2,176,179)	(2,090,552)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(6,615,356)	(2,172,104)	8,397,526
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	15,957,880	7,560,354	7,560,354
19.2 End of period (Line 18 plus Line 19.1).....	9,342,524	5,388,250	15,957,880

EXHIBIT 1

DIRECT PREMIUMS AND DEPOSIT-TYPE CONTRACTS			
	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1. Industrial life		0	0
2. Ordinary life insurance	2,250,369	1,602,821	7,514,756
3. Ordinary individual annuities		0	0
4. Credit life (group and individual)		0	0
5. Group life insurance		0	0
6. Group annuities		0	0
7. A & H - group	25,851,210	22,121,404	100,088,808
8. A & H - credit (group and individual)		0	0
9. A & H - other	5,406,119	4,011,984	17,673,258
10. Aggregate of all other lines of business	0	0	0
11. Subtotal	33,507,698	27,736,209	125,276,822
12. Deposit-type contracts		0	0
13. Total	33,507,698	27,736,209	125,276,822
DETAILS OF WRITE-INS			
1001.			
1002.			
1003.			
1098. Summary of remaining write-ins for Line 10 from overflow page	0	0	0
1099. Total (Lines 1001 through 1003 plus 1098)(Line 10 above)	0	0	0

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The financial statements of Freedom Life Insurance Company of America (“FLICA”) are presented on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance.

The Texas Insurance Department recognizes only statutory accounting practices prescribed or permitted by the State of Texas for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the Texas Insurance Law. The National Association of Insurance Commissioners’ (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Texas.

A reconciliation of the FLICA’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Texas is shown below:

	State of Texas	03/31/2014	12/31/2013
NET INCOME			
(1) FLICA state basis (Page 4, Line 35, Columns 1 & 2)	\$	1,147,427	\$ 12,299,573
(2) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(3) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(4) NAIC SAP (1-2-3=4)	\$	1,147,427	\$ 12,299,573
SURPLUS			
(5) FLICA state basis (Page 3, Line 38, Columns 1 & 2)	\$	24,338,279	\$ 22,554,250
(6) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(7) State Prescribed Practices that increase/(decrease) NAIC SAP		0	0
(8) NAIC SAP (5-6-7=8)	\$	24,338,279	\$ 22,554,250

- B. Use of Estimates in the Preparation of the Financial Statements: No change
C. Accounting Policy: No change

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No change

3. BUSINESS COMBINATIONS AND GOODWILL

No change

4. DISCONTINUED OPERATIONS

No change

5. INVESTMENTS

- A. Mortgage Loans, including Mezzanine Real Estate Loans: None
B. Debt Restructuring: None
C. Reverse Mortgages: None
D. Loan-backed Securities
(1) Prepayment assumptions are provided by Bloomberg L P.
(2) The Company has no impaired loan-backed securities with the intent to sell, or inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis.
(3) The Company has no loan-backed securities for which the present value of cash flows expected to be collected is less than the amortized cost basis of the securities.
(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
a) The aggregate amount of unrealized losses:
1. Less than 12 Months \$ 4,476
2. 12 Months or Longer \$ 100,347
b) The aggregate related fair value of securities with unrealized losses:
1. Less than 12 Months \$ 418,524
2. 12 Months or Longer \$ 1,573,904
(5) The Company determined that the impairments on its loan-backed securities are not other-than-temporary based upon a separate analysis of cash flows and based upon the advice and guidance of its outside investment advisor, Frost Bank.
E. Repurchase Agreements and/or Securities Lending Transactions: None
F. Real Estate: None
G. Investments in low-income housing tax credits (LIHTS): None
H. Restricted Assets: No material change

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

None

7. INVESTMENT INCOME

No change

8. DERIVATIVE INSTRUMENTS

None

9. INCOME TAXES

No material change

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

No material change

11. DEBT

The Company has no capital notes, no liabilities for borrowed money, and no reverse repurchase agreements at March 31, 2014.

12. DEFERRED COMPENSATION AND RETIREMENT PLANS

- A. Defined Benefit Plan: Not Applicable
B. Narrative: Not Applicable
C. Plan Assets: Not Applicable
D. Narrative: Not Applicable
E. Defined Contribution Plans: Not Applicable
F. Multiemployer Plans: Not Applicable
G. Consolidated/Holding Company Plans: No material change
H. Postemployment Benefits and Compensated Absences: Not Applicable
I. Impact of Medicare Modernization Act on Postretirement Benefits: Not Applicable

NOTES TO FINANCIAL STATEMENTS

13. CAPITAL AND SURPLUS SHAREHOLDER DIVIDEND RESTRICTIONS

No change

14. CONTINGENCIES

- A. Contingent Commitments: None
- B. Assessments: No material change
- C. Gain Contingencies: None
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits: None
- E. All Other Contingencies: None

15. LEASES

- A. Lessee Operating lease: None
- B. Lessor Leases: None

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

None

17. SALE, TRANSFER, AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

- A. Transfers of Receivables Reported as Sales: None
- B. Transfer and Servicing of Financial Assets: None
- C. Wash Sales: None

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

- A. ASO Plans: None
- B. ASC Plans: None
- C. Medicare or Similarly Structured Cost Based Reimbursement Contract: None

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS / THIRD PARTY ADMINISTRATORS

None

20. FAIR VALUE MEASUREMENTS

The Company had no assets or liabilities that are measured at fair value.

21. OTHER ITEMS

- A. Extraordinary Items: None
- B. Troubled Debt Restructuring: Debtors: None
- C. Other Disclosures and Unusual Items: None
- D. Business Interruption Insurance Recoveries: None
- E. State Transferable and Non-transferable Tax Credits: None
- F. Subprime Mortgage Related Risk Exposure: No material change
- G. Retained Assets: None
- H. Offsetting and Netting of Assets and Liabilities: None
- I. Joint and Several Liabilities: None

22. EVENTS SUBSEQUENT

Type I – Recognized Subsequent Events:
No change.

Type II – Nonrecognized Subsequent Events:
No change

- A. No material change
- B. No material change

23. REINSURANCE

- A. Section 1-General Interrogatories
 - (1) No change
 - (2) No change
- Section 2-Ceded Reinsurance Report -Part A
 - (1) a) No change
 - b) None
 - (2) No change
- Section 3-Ceded Reinsurance Report –Part B
 - (1) No material change
 - (2) No material change
- B. Uncollectible Reinsurance: None
- C. Commutation of Ceded Reinsurance: None
- D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation: None

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

- A. Retrospective premium adjustments: None
- B. Accrued retrospective premiums: None
- C. Net premiums subject to retrospective rating features: None
- D. No material change

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSE

Reserves as of December 31, 2013 were approximately \$13.6 million. As of March 31, 2014, approximately \$7.9 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$5.5 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the critical illness lines of insurance. Therefore, there has been approximately a \$200,000 favorable prior-year development since December 31, 2013 to March 31, 2014. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims. No additional premiums or return premiums have been accrued as a result of the prior-year effects.

26. INTERCOMPANY POOLING AGREEMENTS

None

27. STRUCTURED SETTLEMENTS

None

NOTES TO FINANCIAL STATEMENTS

28. HEALTH CARE RECEIVABLES

A. Pharmaceutical rebate receivables: No material change

B. Risk Sharing Receivables: None
29. PARTICIPATING CONTRACTS

None
30. PREMIUM DEFICIENCY RESERVES

None
31. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS

None
32. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT TYPE LIABILITIES BY WITHDRAWAL CHARACTERISTICS

None
33. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

No material change
34. SEPARATE ACCOUNTS

None
35. LOSS/CLAIM ADJUSTMENT EXPENSES

No material change

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

- 1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes ☐ No ☒
- 1.2

If yes, has the report been filed with the domiciliary state?

Yes ☐ No ☐
- 2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒
- 2.2

If yes, date of change:
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?.....

Yes ☒ No ☐

If Yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
.....
- 4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐

If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2010
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010
- 6.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

08/22/2011
- 6.4

By what department or departments?
Texas Department of Insurance.....
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?.....

Yes ☒ No ☐ NA ☐
- 7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?.....

Yes ☐ No ☒
- 7.2

If yes, give full information:
.....
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?.....

Yes ☐ No ☒
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?.....

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?.....

Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.
- 9.11

If the response to 9.1 is No, please explain:

.....
- 9.2

Has the code of ethics for senior managers been amended?.....

Yes ☐ No ☒
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).

.....
- 9.3

Have any provisions of the code of ethics been waived for any of the specified officers?.....

Yes ☐ No ☒
- 9.31

If the response to 9.3 is Yes, provide the nature of any waiver(s).

.....

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes ☒ No ☐
- 10.2

If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 11.1

Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒
- 11.2

If yes, give full and complete information relating thereto:

.....
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13.

Amount of real estate and mortgages held in short-term investments: \$
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes ☒ No ☐
- 14.2

If yes, please complete the following:

	1		2
	Prior Year-End		Current Quarter
	Book/Adjusted		Book/Adjusted
	Carrying Value		Carrying Value
14.21 Bonds	\$	\$	
14.22 Preferred Stock	\$	\$	
14.23 Common Stock	\$14,307,909	\$15,199,349	
14.24 Short-Term Investments	\$	\$	
14.25 Mortgage Loans on Real Estate	\$	\$	
14.26 All Other	\$	\$	
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$14,307,909	\$15,199,349	
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$	\$	
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes ☐ No ☒
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?

Yes ☐ No ☐

If no, attach a description with this statement.

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....

16.3 Total payable for securities lending reported on the liability page.....
- \$

\$

\$

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?.....
- Yes [X] No []

- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
Frost Bank.....	4200 South Hulen, Fort Worth Texas 76109.....

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
- Yes [] No [X]

- 17.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason

- 17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....	Frost Bank.....	4200 South Hulen, Fort Worth Texas 76109..

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?
- Yes [X] No []

- 18.2 If no, list exceptions:

.....

GENERAL INTERROGATORIES
PART 2 - LIFE & HEALTH

1

1. Report the statement value of mortgage loans at the end of this reporting period for the following categories:	Amount
1.1 Long-Term Mortgages in Good Standing	
1.11 Farm Mortgages	\$
1.12 Residential Mortgages	\$
1.13 Commercial Mortgages	\$
1.14 Total Mortgages in Good Standing	<u>\$ 0</u>
1.2 Long-Term Mortgages in Good Standing with Restructured Terms	
1.21 Total Mortgages in Good Standing with Restructured Terms.....	\$
1.3 Long-Term Mortgage Loans upon which Interest is Overdue more than Three Months	
1.31 Farm Mortgages	\$
1.32 Residential Mortgages	\$
1.33 Commercial Mortgages	\$
1.34 Total Mortgages with Interest Overdue more than Three Months.....	<u>\$ 0</u>
1.4 Long-Term Mortgage Loans in Process of Foreclosure	
1.41 Farm Mortgages	\$
1.42 Residential Mortgages	\$
1.43 Commercial Mortgages	\$
1.44 Total Mortgages in Process of Foreclosure.....	<u>\$ 0</u>
1.5 Total Mortgage Loans (Lines 1.14 + 1.21 + 1.34 + 1.44) (Page 2, Column 3, Lines 3.1 + 3.2).....	\$0
1.6 Long-Term Mortgages Foreclosed, Properties Transferred to Real Estate in Current Quarter	
1.61 Farm Mortgages	\$
1.62 Residential Mortgages	\$
1.63 Commercial Mortgages	\$
1.64 Total Mortgages Foreclosed and Transferred to Real Estate	<u>\$ 0</u>
2. Operating Percentages:	
2.1 A&H loss percent	69.4 %
2.2 A&H cost containment percent	3.0 %
2.3 A&H expense percent excluding cost containment expenses	29.3 %
3.1 Do you act as a custodian for health savings accounts?	Yes [] No [X]
3.2 If yes, please provide the amount of custodial funds held as of the reporting date.	\$
3.3 Do you act as an administrator for health savings accounts?	Yes [] No [X]
3.4 If yes, please provide the balance of the funds administered as of the reporting date.	\$

STATEMENT AS OF MARCH 31, 2014 OF THE FREEDOM LIFE INSURANCE COMPANY OF AMERICA

SCHEDULE S - CEDED REINSURANCE

Showing All New Reinsurance Treaties – Current Year to Date

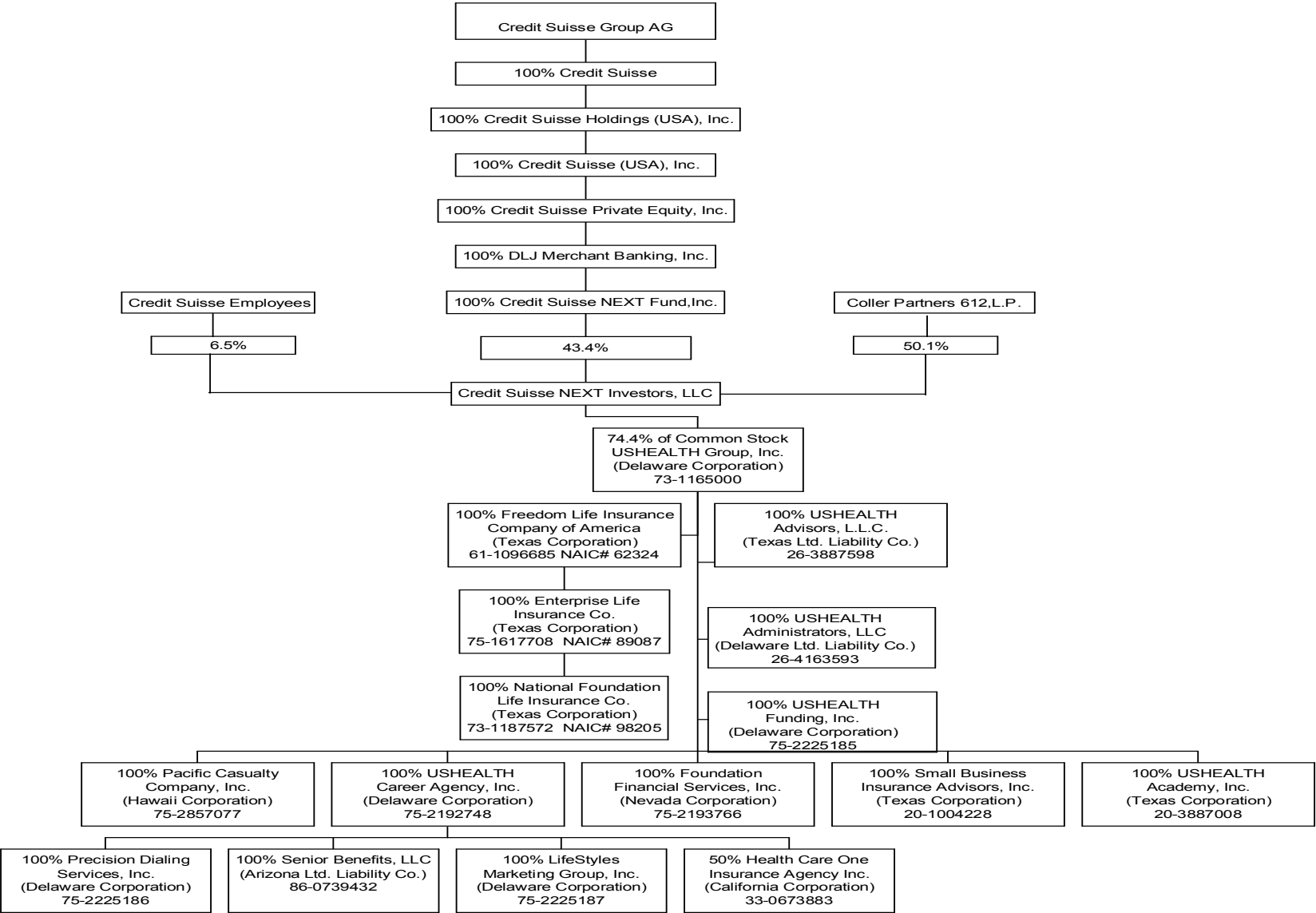
[illegible]

SCHEDULE T—PREMIUMS AND ANNUITY CONSIDERATIONS

Current Year To Date - Allocated by States and Territories								
States, Etc.		1	Direct Business Only					
			Life Contracts		4	5	6	7
			2	3				
		Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 Through 5	Deposit-Type Contracts
1. Alabama	AL	L	11,762		409,843		421,605	
2. Alaska	AK	N	0		0		0	
3. Arizona	AZ	L	101,373		1,037,530		1,138,903	
4. Arkansas	AR	L	49,016		713,252		762,268	
5. California	CA	N	1,046		28,454		29,500	
6. Colorado	CO	L	372,440		3,926,534		4,298,974	
7. Connecticut	CT	N	90		1,365		1,455	
8. Delaware	DE	L	8,883		164,916		173,800	
9. District of Columbia	DC	N	50		1,403		1,453	
10. Florida	FL	L	421,065		5,555,688		5,976,753	
11. Georgia	GA	L	56,515		1,001,655		1,058,170	
12. Hawaii	HI	N	0		818		818	
13. Idaho	ID	N	285		5,100		5,385	
14. Illinois	IL	L	104,182		1,500,328		1,604,510	
15. Indiana	IN	L	26,557		733,425		759,982	
16. Iowa	IA	L	27,425		421,836		449,261	
17. Kansas	KS	L	8,631		164,884		173,515	
18. Kentucky	KY	L	0		198,292		198,292	
19. Louisiana	LA	L	63,896		802,859		866,755	
20. Maine	ME	N	50		795		845	
21. Maryland	MD	L	11,051		98,019		109,070	
22. Massachusetts	MA	N	0		1,667		1,667	
23. Michigan	MI	L	27,724		348,596		376,321	
24. Minnesota	MN	L	150		2,987		3,137	
25. Mississippi	MS	L	54,280		719,382		773,662	
26. Missouri	MO	L	31,773		587,794		619,567	
27. Montana	MT	N	60		5,637		5,697	
28. Nebraska	NE	L	16,775		221,451		238,226	
29. Nevada	NV	L	11,030		199,278		210,308	
30. New Hampshire	NH	N	210		1,428		1,638	
31. New Jersey	NJ	N	465		4,484		4,949	
32. New Mexico	NM	L	40		4,203		4,243	
33. New York	NY	N	284		4,777		5,061	
34. North Carolina	NC	L	525		234,531		235,056	
35. North Dakota	ND	N	0		1,071		1,071	
36. Ohio	OH	L	5,394		715,253		720,647	
37. Oklahoma	OK	L	20,426		550,849		571,274	
38. Oregon	OR	L	40		2,135		2,175	
39. Pennsylvania	PA	L	221,838		2,162,226		2,384,064	
40. Rhode Island	RI	N	30		300		330	
41. South Carolina	SC	L	48,451		1,072,437		1,120,888	
42. South Dakota	SD	L	180		4,045		4,225	
43. Tennessee	TN	L	94,399		1,245,051		1,339,449	
44. Texas	TX	L	375,573		5,389,397		5,764,970	
45. Utah	UT	L	(30)		62,925		62,895	
46. Vermont	VT	N	0		0		0	
47. Virginia	VA	L	33,407		827,101		860,508	
48. Washington	WA	L	0		3,917		3,917	
49. West Virginia	WV	L	5,442		229,281		234,723	
50. Wisconsin	WI	N	488		7,757		8,246	
51. Wyoming	WY	L	35,818		547,510		583,327	
52. American Samoa	AS	N					0	
53. Guam	GU	N					0	
54. Puerto Rico	PR	N	0		0		0	
55. US Virgin Islands	VI	N					0	
56. Northern Mariana Islands	MP	N					0	
57. Canada	CAN	N					0	
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59. Subtotal	(a)	35	2,249,088	0	31,924,468	0	34,173,556	0
90. Reporting entity contributions for employee benefit plans		XXX					0	
91. Dividends or refunds applied to purchase paid-up additions and annuities		XXX					0	
92. Dividends or refunds applied to shorten endowment or premium paying period		XXX					0	
93. Premium or annuity considerations waived under disability or other contract provisions		XXX	0		0		0	
94. Aggregate other amounts not allocable by State		XXX	0	0	0	0	0	0
95. Totals (Direct Business)		XXX	2,249,088	0	31,924,468	0	34,173,556	0
96. Plus Reinsurance Assumed		XXX					0	
97. Totals (All Business)		XXX	2,249,088	0	31,924,468	0	34,173,556	0
98. Less Reinsurance Ceded		XXX	(1,759)		7,503,121		7,501,362	
99. Totals (All Business) less Reinsurance Ceded		XXX	2,250,847	0	24,421,347	0	26,672,194	0
DETAILS OF WRITE-INS								
58001.		XXX						
58002.		XXX						
58003.		XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0	0
58999. Total (Lines 58001 through 58003 + 58998)(Line 58 above)		XXX	0	0	0	0	0	0
9401.		XXX						
9402.		XXX						
9403.		XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page		XXX	0	0	0	0	0	0
9499. Total (Lines 9401 through 9403 + 9498)(Line 94 above)		XXX	0	0	0	0	0	0

(L) Licensed or Chartered – Licensed Insurance Carrier or Domiciled RRG; (R) Registered – Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above – Not allowed to write business in the state.
(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.


	RESPONSE
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?NO.....
2. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?NO.....
3. Will the Reasonableness of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?NO.....
4. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXV be filed with the state of domicile and electronically with the NAIC?NO.....
5. Will the Reasonableness of Assumptions Certification for Implied Guaranteed Rate Method required by Actuarial Guideline XXXVI be filed with the state of domicile and electronically with the NAIC?NO.....
6. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Average Market Value) be filed with the state of domicile and electronically with the NAIC?NO.....
7. Will the Reasonableness and Consistency of Assumptions Certification required by Actuarial Guideline XXXVI (Updated Market Value)be filed with the state of domicile and electronically with the NAIC?NO.....

Explanation:

1.
2.
3.
4.
5.
6.
7.


Bar Code:

1.




6 2 3 2 4 2 0 1 4 4 9 0 0 0 0 0 1

2.




6 2 3 2 4 2 0 1 4 3 6 5 0 0 0 0 1

3.




6 2 3 2 4 2 0 1 4 4 4 5 0 0 0 0 1

4.




6 2 3 2 4 2 0 1 4 4 4 6 0 0 0 0 1

5.




6 2 3 2 4 2 0 1 4 4 4 7 0 0 0 0 1

6.



6 2 3 2 4 2 0 1 4 4 4 8 0 0 0 0 1

7.



6 2 3 2 4 2 0 1 4 4 4 9 0 0 0 0 1

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Current year change in encumbrances		0
4. Total gain (loss) on disposals		0
5. Deduct amounts received on disposals		0
6. Total foreign exchange change in book/adjusted carrying value		0
7. Deduct current year's other than temporary impairment recognized		0
8. Deduct current year's depreciation		0
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)	0	0
10. Deduct total nonadmitted amounts	0	0
11. Statement value at end of current period (Line 9 minus Line 10)	0	0

SCHEDULE B – VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and mortgage interest points and commitment fees		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Total valuation allowance		0
13. Subtotal (Line 11 plus Line 12)	0	0
14. Deduct total nonadmitted amounts	0	0
15. Statement value at end of current period (Line 13 minus Line 14)	0	0

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		0
2.2 Additional investment made after acquisition		0
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)		0
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		0
8. Deduct amortization of premium and depreciation		0
9. Total foreign exchange change in book/adjusted carrying value		0
10. Deduct current year's other than temporary impairment recognized		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	0	0
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	0	0

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	31,503,966	26,706,036
2. Cost of bonds and stocks acquired	0	6,821,161
3. Accrual of discount	2,583	11,828
4. Unrealized valuation increase (decrease)	891,440	894,263
5. Total gain (loss) on disposals	628	(4,826)
6. Deduct consideration for bonds and stocks disposed of	206,399	2,786,899
7. Deduct amortization of premium	45,053	137,597
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other than temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	32,147,165	31,503,966
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	32,147,165	31,503,966

STATEMENT AS OF MARCH 31, 2014 OF THE FREEDOM LIFE INSURANCE COMPANY OF AMERICA

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	18,481,252	366,220	207,684	258,801	18,898,590	0	0	18,481,252
2. NAIC 2 (a).....	3,610,333	0	6,985	(302,446)	3,300,902	0	0	3,610,333
3. NAIC 3 (a).....	533,503	0	2,099	(49)	531,355	0	0	533,503
4. NAIC 4 (a).....	0	0	0	427,847	427,847	0	0	0
5. NAIC 5 (a).....	426,623	0	0	(426,623)	0	0	0	426,623
6. NAIC 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds	23,051,711	366,220	216,768	(42,469)	23,158,694	0	0	23,051,711
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	0
10. NAIC 3	0	0	0	0	0	0	0	0
11. NAIC 4	0	0	0	0	0	0	0	0
12. NAIC 5	0	0	0	0	0	0	0	0
13. NAIC 6	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	23,051,711	366,220	216,768	(42,469)	23,158,694	0	0	23,051,711

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0 ; NAIC 2 \$.....0 ; NAIC 3 \$.....0 ; NAIC 4 \$.....0 ; NAIC 5 \$.....0 ; NAIC 6 \$.....0

SCHEDULE DA - PART 1

Short-Term Investments					
	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	6,210,878	XXX	6,210,878	389	0

SCHEDULE DA - VERIFICATION

Short-Term Investments		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	5,855,654	8,094,829
2. Cost of short-term investments acquired	366,220	6,987,346
3. Accrual of discount.....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals.....	10,996	9,226,521
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other than temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	6,210,878	5,855,654
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	6,210,878	5,855,654

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B- Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

Schedule D - Part 3

NONE

SCHEDULE D - PART 4

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11 + 12 - 13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
36207A-A3-6...	GNMA #425826		03/15/2014	PRINCIPAL RECEIPT		25	25	27	27	0	(2)	0	(2)	0	25	0	0	0	0	01/15/2028	1FE
36208F-AF-7...	GNMA #449206		03/15/2014	PRINCIPAL RECEIPT		6,478	6,478	6,930	6,905	0	(427)	0	(427)	0	6,478	0	0	0	119	01/15/2028	1FE
36208U-V5-0...	GNMA #461632		03/15/2014	PRINCIPAL RECEIPT		89	89	95	95	0	(6)	0	(6)	0	89	0	0	0	1	01/15/2028	1FE
36209C-T3-0...	GNMA #467770		03/15/2014	PRINCIPAL RECEIPT		150	150	160	160	0	(10)	0	(10)	0	150	0	0	0	2	01/15/2028	1FE
36200N-S6-9...	GNMA I #605441		03/15/2014	PRINCIPAL RECEIPT		136	136	139	138	0	(2)	0	(2)	0	136	0	0	0	1	06/15/2034	1FE
36200N-TS-0...	GNMA I #605461		03/15/2014	PRINCIPAL RECEIPT		2,683	2,683	2,699	2,695	0	(12)	0	(12)	0	2,683	0	0	0	23	06/15/2034	1FE
36291R-V7-1...	GNMA I #636234		03/15/2014	PRINCIPAL RECEIPT		2,858	2,858	2,828	2,830	0	28	0	28	0	2,858	0	0	0	15	03/15/2035	1FE
36291W-GX-3...	GNMA I #640214		03/15/2014	PRINCIPAL RECEIPT		1,021	1,021	1,008	1,010	0	11	0	11	0	1,021	0	0	0	9	03/15/2035	1FE
0599999 - Bonds - U.S. Governments						13,440	13,440	13,886	13,860	0	(420)	0	(420)	0	13,440	0	0	0	170	XXX	XXX
31298M-B9-7...	FHLMC #C50964		03/01/2014	PRINCIPAL RECEIPT		124	124	124	124	0	0	0	0	0	124	0	0	0	1	05/01/2031	1FE
FHLMC 6.0 30 Year																					
31298V-R8-2...	#C58611		03/01/2014	PRINCIPAL RECEIPT		3	3	3	3	0	0	0	0	0	3	0	0	0	0	10/01/2031	1FE
31292H-JK-1...	FHLMC 6.0 30 YR, #C01166		03/01/2014	PRINCIPAL RECEIPT		16	16	16	16	0	0	0	0	0	16	0	0	0	0	04/01/2031	1FE
31296J-WY-9...	FHLMC Gold Pool #A10375		03/01/2014	PRINCIPAL RECEIPT		7,721	7,721	7,886	7,810	0	(88)	0	(88)	0	7,721	0	0	0	78	06/01/2033	1FE
3137AC-4M-8...	FHR 3875 JG		03/15/2014	PRINCIPAL RECEIPT		16,542	16,542	17,106	16,955	0	(413)	0	(413)	0	16,542	0	0	0	76	04/15/2040	1FE
31414J-H5-5...	FNMA #967452		03/25/2014	PRINCIPAL RECEIPT		917	917	921	916	0	1	0	1	0	917	0	0	0	9	12/01/2022	1FE
313615-L4-6...	FNMA Pool # 50747		03/25/2014	PRINCIPAL RECEIPT		211	211	223	222	0	(11)	0	(11)	0	211	0	0	0	2	06/01/2023	1FE
3136AD-FR-5...	FNMR 2013-31 LV Mtge		03/25/2014	PRINCIPAL RECEIPT		13,513	13,513	14,839	14,787	0	(1,274)	0	(1,274)	0	13,513	0	0	0	79	12/25/2027	1FE
38376E-TD-7...	GNR 2009-108 WG		03/20/2014	PRINCIPAL RECEIPT		6,287	6,287	6,585	6,464	0	(176)	0	(176)	0	6,287	0	0	0	41	09/20/2038	1FE
3199999 - Total - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of...						45,335	45,335	47,703	47,297	0	(1,962)	0	(1,962)	0	45,335						

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0

Schedule DB - Part A - Section 1

NONE

Sch. DB - Pt. A - Sn. 1 - Footnotes

NONE

Schedule DB - Part B - Section 1

NONE

Sch. DB - Pt. B - Sn. 1 - Footnotes

NONE

Schedule DB - Part D Section 1

NONE

Schedule DB - Part D Section 2

NONE

Schedule DB - Part D Section 2 [Cont.]

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0